

ARTICLE X

VISITS TO ESTABLISHMENTS

10.1. Each Party shall permit visits to its government establishments, agencies and laboratories, and Contractor industrial facilities by employees of the other Party or by employees of the other Party's Contractor(s), provided that the visit is authorized by both Parties and the employees have any necessary and appropriate security clearances and a need-to-know.

10.2. All visiting personnel shall be required to comply with security regulations of the host Party. Any information disclosed or made available to visitors shall be treated as if supplied to the Party sponsoring the visiting personnel, and shall be subject to the provisions of this Agreement.

10.3. Requests for visits by personnel of one Party to a facility of the other Party shall be coordinated through official channels, and shall conform with the established visit procedures of the host country. Requests for visits shall bear the name of the Project.

10.4. Lists of personnel of each Party required to visit, on a continuing basis, facilities of the other Party shall be submitted through official channels in accordance with recurring international visit procedures.

ARTICLE XI

SECURITY

11.1. It is the intent of the Parties that the Project carried out under this Agreement shall be conducted at the unclassified level. No Classified Information shall be provided or generated under this Agreement.

ARTICLE XII

THIRD PARTY SALES AND TRANSFERS

12.1. Except to the extent permitted in paragraph 12.2, the Parties shall not sell, transfer title to, disclose, or transfer possession of Project Foreground Information or any item produced wholly or in part from such information to any Third Party without the prior written consent of the other Party. Furthermore, neither Party shall permit any such sale, disclosure, or transfer, including by the owner, without the prior written consent of the other Party. Such consent shall not be given unless the government of the intended recipient agrees in writing with the Parties that it shall:

12.1.1. not retransfer, or permit the further retransfer of, any equipment or information provided; and

12.1.2. use, or permit the use of, the equipment or information provided only for the purposes specified by the Parties.

12.2. Each Party shall retain the right to sell, transfer title to, disclose, or transfer possession of Project Foreground Information:

12.2.1. which is generated solely by either that Party or that Party's Contractors in the performance of that Party's work allocation under Article III (Scope of Work); and

12.2.2. which does not include any Project Foreground Information or Project Background Information of the other Party, and whose generation, test, or evaluation has not relied on the use of Project Equipment of the other Party.

12.3. In the event questions arise as to whether the Project Foreground Information (or any item produced either wholly or in part from the Project Foreground Information) that a Party intends to sell, transfer title to, disclose, or transfer possession of to a Third Party is within the scope of paragraph 12.2, the matter shall be brought to the immediate attention of the other Party's PM. The Parties shall resolve the matter prior to any sale or other transfer of such Project Foreground

Information (or any item produced either wholly or in part from the Project Foreground Information) to a Third Party.

12.4. A Party shall not sell, transfer title to, disclose, or transfer possession of Project Equipment or Project Background Information provided by the other Party to any Third Party without the prior written consent of the Party which provided such equipment or information. The providing Party shall be solely responsible for authorizing such transfers and, as applicable, specifying the method and conditions for implementing such transfers.

ARTICLE XIII

LIABILITY AND CLAIMS

13.1. Claims against either Party or its personnel shall be dealt with in accordance with the terms of Article VIII of the NATO Status of Forces Agreement (NATO SOFA) dated 19 June 1951. Civilian employees of the Parties assigned to duty within their government's Defense Department or Ministry shall be deemed for the purpose of Article VIII of NATO SOFA to be members of a civilian component within the meaning of Article I of NATO SOFA while present in the territory of the other Party for the purpose of this Agreement.

13.2. Claims arising under or related to any Contract awarded pursuant to Article VI (Contracting Provisions) shall be resolved in accordance with the provisions of the Contract.

13.3. Employees and agents of Contractors shall not be considered to be civilian personnel employed by a Party for the purpose of paragraph 13.1.

ARTICLE XIV

PARTICIPATION OF ADDITIONAL PARTIES

14.1. It is recognized that other national defense organizations may wish to join the Project.

14.2. Mutual consent of the Parties shall be required to conduct discussions with potential additional parties. The Parties shall discuss the arrangements under which another party might join, including the furnishing of releasable Project Information for evaluation prior to joining. If the disclosure of Project Information is necessary to conduct discussions, such disclosure shall be in accordance with Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information) and Article XII (Third Party Sales and Transfers).

14.3. The Parties shall jointly formulate the provisions under which additional parties might join. The addition of new parties to the Project shall require amendment of this Agreement by the Parties.

ARTICLE XV

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

15.1. Customs duties, import and export taxes, and similar charges shall be administered in accordance with each Party's respective laws and regulations. Insofar as existing national laws and regulations permit, the Parties shall endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this Project.

15.2. Each Party shall use its best efforts to ensure that customs duties, import and export taxes, and similar charges are administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Party in whose country they are levied shall bear such costs.

ARTICLE XVI

SETTLEMENT OF DISPUTES

16.1. Disputes between the Parties arising under or relating to this Agreement shall be resolved only by consultation between the Parties and shall not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

ARTICLE XVII

LANGUAGE

17.1. The working language for the Project shall be the English language.

17.2. All data and information generated under this Agreement and its implementing Contracts and provided by one Party to the other Party shall be furnished in the English language.

ARTICLE XVIII

AMENDMENT, TERMINATION, ENTRY INTO FORCE, AND DURATION

18.1. All activities of the Parties under this Agreement shall be carried out in accordance with their national laws. The obligations of the Parties shall be subject to the availability of funds for such purposes.

18.2. Except as otherwise provided, this Agreement may be amended by the mutual written consent of the Parties.

18.3. This Agreement may be terminated at any time upon the written consent of the Parties. In the event both Parties consent to terminate this Agreement, the Parties shall consult prior to the date of termination to ensure termination on the most economical and equitable terms.

18.4. Either Party may terminate this Agreement upon ninety (90) days written notification of its intent to terminate to the other Party. Such notice shall be the subject of immediate consultation by the SC to decide upon the appropriate course of action to conclude the activities under this Agreement. In the event of such termination, the following rules apply:

18.4.1. The terminating Party shall continue participation, financial or otherwise, up to the effective date of termination.

18.4.2. Each Party shall be responsible for its own Project-related costs associated with termination of the Project.

18.4.3. All Project Information and rights therein received under the provisions of this Agreement prior to the termination shall be retained by the Parties, subject to the provisions of this Agreement.

18.5. The respective rights and obligations of the Parties regarding Article VII (Project Equipment), Article VIII (Disclosure and Use of Project Information), Article IX (Controlled Unclassified Information), Article XI (Security), Article XII (Third Party Sales and Transfers), and Article XIII (Liability and Claims), and this Article XVIII (Amendment, Termination, Entry into Force, and Duration) shall continue to

apply notwithstanding termination or expiration of this Agreement.

18.6. This Agreement, which consists of eighteen (18) Articles, shall enter into force upon signature by both Parties and shall remain in force for ten (10) years. It may be extended by written agreement of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their governments, have signed this Agreement.

DONE, in duplicate, in the English language.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA

Signature

Name

Title

Date

Location

FOR THE MINISTRY OF DEFENSE
OF THE REPUBLIC OF ITALY

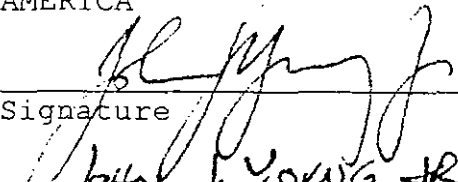
Signature

Name

Title

Date

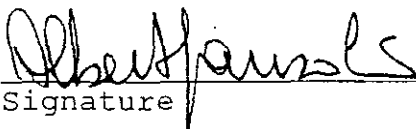
Location


JOHN J. YOUNG JR.

ASN (RDA)

7/25/02

THE PENTAGON, WASHINGTON, D.C.


ALBERTO GAUBOLINO

CAPO 1° REPARTO - NAVARM

8 Ottobre 2002

MINISTERO DIFESA MARINA, ROMA